

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 798 - HB 1040

March 6, 2021

SUMMARY OF BILL: Prohibits any state official or employee from bidding on, selling, offering for sale, or possessing any interest in selling, a service to the state during the individual's tenure with the state, or for six months thereafter.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. § 12-4-103(a)-(c), it is unlawful for any state official or employee to bid on, sell, or offer for sale, any merchandise, equipment or material, or similar commodity to the state during the tenure of such official's or employee's office or employment, or for six months thereafter, or to have any interest in the selling of the same to the state. A person violating this section shall be liable to the state for any and all sums paid out by the state, together with interest at the rate of eight percent per annum, growing out of any such transaction. A violation is a Class E felony.
- The proposed legislation adds services to the list of items a state official or employee is prohibited from bidding on, selling, or offering for sale to the state during the individual's tenure and for six months thereafter.
- The restriction on state officials and employees will not significantly alter the policies or procedures of the Department of General Services or the Central Procurement Office, nor are they expected to significantly shrink the pool of services available to the state. Any fiscal impact to state government is estimated to be not significant.
- There will not be a sufficient number of Class E felony prosecutions for state government to experience any significant increase in revenue of liability and interest paid or expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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